

**S.B. 429** - Senator Brooks

Monday, March 17, 1975

**S.B. 216** - Senator Andujar

Tuesday, March 18, 1975

**C.S.S.B. 59** - Senator Ogg

Wednesday, March 19, 1975

**S.B. 243** - Senator Ogg

#### **WELCOME AND CONGRATULATORY RESOLUTIONS**

**S.C.R. 33** - By Senator McKinnon: Extending congratulations to Texas A & I University on 50th Anniversary.

**S.R. 266** - By Senator Andujar: Extending welcome to Howard R. Curd.

#### **ADJOURNMENT**

On motion of Senator Aikin the Senate at 12:32 o'clock p.m. adjourned until 10:30 o'clock a.m. tomorrow.

#### **APPENDIX**

**Sent to Governor**

**(March 11, 1975)**

**S.C.R. 28**

#### **THIRTY-FOURTH DAY (Wednesday, March 12, 1975)**

The Senate met at 10:30 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present: Adams, Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Gammage, Hance, Harrington, Harris, Jones, Kothmann, Lombardino, Longoria, Mauzy, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Patman, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

A quorum was announced present.

The Reverend Dr. Marvin C. Griffin, Ebenezer Baptist Church, Austin, Texas,

offered the invocation as follows:

Gracious God, give guidance to these Your servants as they seek to fashion laws that are equitable and just.

We pray for the spirit of compassion, the vision to perceive the truth and the courage to pursue that which is right, so that we may be identified with You in the rule of righteousness. Amen.

On motion of Senator Aikin and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

#### **REPORTS OF STANDING COMMITTEES**

Senator Aikin submitted the following report for the Committee on Finance:

**S.B. 559**

Senator Schwartz submitted the following reports for the Committee on Jurisprudence:

**S.B. 232**

**S.B. 257**

**C.S.S.B. 262** (Read first time)

**S.B. 414**

**H.B. 179** (Amended)

Senator Snelson submitted the following reports for the Committee on Intergovernmental Relations:

**S.B. 47**

**S.B. 290** (Amended)

**S.B. 332**

**S.B. 425**

**H.B. 69**

#### **NOTICE OF EXECUTIVE SESSION**

Senator McKinnon gave notice that he would move for an Executive Session of the Senate at 11:00 o'clock a.m. tomorrow.

#### **SENATE BILLS AND RESOLUTIONS ON FIRST READING**

The following bills and resolutions were introduced, read first time and referred to the Committee indicated:

By Senator Farabee:

**S.B. 635**, A bill to be entitled An Act relating to establishing the Texas Patients' Insurance Compensation Board; providing for the membership, duties, rule-making authority, and operating procedures of the Board; providing a method to hear and determine claims for bodily injury or death to patients as a result of a tort or breach of contract by a health care provider; providing for the filing of patients' claims and the procedures and standards for determination of the liability of health care providers; requiring that all health care providers be insured under a policy of patients'

compensation insurance, as defined in the Act, or provide proof of financial responsibility; regulating patients' compensation insurance policy forms; establishing a Texas joint underwriting association to include all insurers authorized to write and engaged in writing patients' compensation insurance; providing a special schedule of compensation and awards; providing a source of funding for administration of this Act; providing for determination of attorneys' fees and awards and taxing of costs of proceedings; establishing an effective date; repealing all laws in conflict; and declaring an emergency. (Submitted by Governor as emergency.)

To Committee on Economic Development.

By Senator Schwartz:

**S.B. 643**, A bill to be entitled An Act amending Section 3 of Chapter 341, Acts of the 57th Legislature, Regular Session, 1961 (Article 1187f, Vernon's Texas Civil Statutes), relating to the issuance of certain bonds by coastal cities of more than 5,000 population; and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Andujar:

**S.B. 656**, A bill to be entitled An Act relating to the authority of the State Board of Public Welfare to commission peace officers; amending the Public Welfare Act of 1941, as amended (Article 695c, Vernon's Texas Civil Statutes), by adding Section 47A; amending Article 2.12, Code of Criminal Procedure, 1965, as amended; and declaring an emergency.

To Committee on State Affairs.

By Senator Andujar:

**S.B. 657**, A bill to be entitled An Act relating to special license plates and fee exemptions for prisoners of war detained after 1940; and declaring an emergency.

To Committee on State Affairs.

By Senator Adams:

**S.B. 658**, A bill to be entitled An Act relating to the taking of certain game birds at any time during retriever dog field trials licensed, sanctioned, or approved by the American Kennel Club or during certain retriever dog training; providing for the licensing of field trial areas; providing for nonresident field trial hunting licenses; providing penalties; and declaring an emergency.

To Committee on Natural Resources.

By Senator Gammage:

**S.B. 659**, A bill to be entitled An Act providing for an expression of public opinion of the question of the division of the state into the states of North Texas, East Texas, South Texas, West Texas, and Central Texas; and declaring an emergency.

To Committee on State Affairs.

By Senator Harrington:

**S.B. 660**, A bill to be entitled An Act relating to regulation of boxing and wrestling by the Texas Department of Labor and Standards; amending Sections 1, 2, 3, 4, 5, 6, 8, 11, 12, 14, and 17c, Chapter 241, General Laws, Acts of the 43rd Legislature, Regular Session, 1933, as amended (Article 8501-1, et seq., Vernon's Texas Civil Statutes), and adding Section 8a, and repealing Sections 9, 13, and 17b; and declaring an emergency.

To Committee on State Affairs.

By Senator Braecklein:

**S.B. 661**, A bill to be entitled An Act relating to licensing and monitoring of public and private facilities that provide services for mentally retarded persons; providing remedies and penalties; and declaring an emergency.

To Committee on Human Resources.

By Senator Schwartz:

**S.B. 662**, A bill to be entitled An Act amending the Texas Shrimp Conservation Act, as amended (Article 4075b, Vernon's Texas Civil Statutes) to provide new definitions; to provide a more flexible closed gulf shrimp season; to establish a contiguous zone for shrimp management; to provide for confiscation of the cargo of shrimp; and declaring an emergency.

To Committee on Natural Resources.

By Senator Doggett:

**S.B. 663**, A bill to be entitled An Act relating to a consumer's right to revoke acceptance of nonconforming consumer goods; amending Sections 2.608, 2.711, 2.715, 2.508, 2.602, and 2.606 of the Business and Commerce Code; and declaring an emergency.

To Committee on Human Resources.

By Senator Doggett:

**S.B. 664**, A bill to be entitled An Act relating to the authority of the Parks and Wildlife Department to request the attorney general to bring suit for injunctive relief or civil penalties or both against persons violating the statutory prohibition against water pollution; amending Section 21.254(b), Chapter 58, Acts of the 62nd Legislature, Regular Session, 1971 (Section 21.254(b), Vernon's Texas Water Code); and declaring an emergency.

To Committee on Jurisprudence.

By Senator Braecklein:

**S.B. 665**, A bill to be entitled An Act authorizing the State Board of Control to convey certain land in Dallas County to the City of Dallas for public museum purposes with provision for reversion of title to the State of Texas under certain conditions; and declaring an emergency.

To Committee on State Affairs.

By Senator Gammage:

**S.B. 666**, A bill to be entitled An Act relating to the creation of the constitutional office of criminal district attorney for Fort Bend County; abolishing the office of county attorney for Fort Bend County; confirming the jurisdiction of the district attorney for the 23rd Judicial District; and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Gammage:

**S.B. 667**, A bill to be entitled An Act relating to the creation of the County Court at Law of Fort Bend County; making other provisions relative to the court; making the judge of the county court at law a member of the juvenile board; and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Gammage:

**S.B. 668**, A bill to be entitled An Act abolishing the Court of Domestic Relations of Fort Bend County and creating the 228th District Court, making provisions relative to the replacement of the court; amending Subchapter C, Judicial Districts Act of 1969, as amended (Article 199a, Vernon's Texas Civil Statutes), by

adding Section 3.056; repealing Chapter 100, Acts of the 63rd Legislature, Regular Session, 1973 (Article 2338-22, Vernon's Texas Civil Statutes); and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Gammage:

**S.B. 669**, A bill to be entitled An Act providing the Comptroller of Public Accounts the authority within the outlined due process procedures to revoke and suspend any motor vehicle owner's Motor Vehicle Retail Seller's Permit; amending Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended as follows: adding a new Article 6.041; providing an effective date; and declaring an emergency.

To Committee on State Affairs.

By Senators Gammage and Hance:

**S.B. 670**, A bill to be entitled An Act relating to the licensing and regulation of speech pathologists and audiologists; providing penalties; and declaring an emergency.

To Committee on State Affairs.

By Senator Doggett:

**S.B. 671**, A bill to be entitled An Act relating to the cancellation of loans from the Texas Opportunity Plan Fund received by certain recipients who are employed by the Texas Youth Council, State Department of Public Welfare, or the Department of Mental Health and Mental Retardation; amending Subchapter C, Chapter 52, Texas Education Code, by adding Section 52.40; and declaring an emergency.

To Committee on State Affairs.

By Senator Clower:

**S.B. 672**, A bill to be entitled An Act relating to the membership of the Commission for Indian Affairs; amending Sections 2 and 3, Chapter 279, Acts of the 59th Legislature, Regular Session, 1965, as amended (Article 5421z, Vernon's Texas Civil Statutes); and declaring an emergency.

To Committee on State Affairs.

By Senator Clower:

**S.B. 673**, A bill to be entitled An Act relating to the regulation of contracts for prepaid funeral benefits; amending Section 2, Chapter 512, Acts of the 54th Legislature, Regular Session, 1955, as amended (Article 548b, Vernon's Texas Civil Statutes); and declaring an emergency.

To Committee on Economic Development.

By Senator Hance:

**S.B. 674**, A bill to be entitled An Act exempting non-profit organizations from taxes imposed by Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended, on taxable items used in commemorating the Bicentennial of the American Revolution to June 1, 1978; amending Section (H) of Article 20.04, Chapter 20, Title 122A, Taxation-General, Revised Civil Statutes of Texas, 1925, as amended; and declaring an emergency.

To Committee on Finance.

By Senator Gammage:

**S.B. 675**, A bill to be entitled An Act relating to providing a disability allowance on divorce or annulment; amending Chapter 3, Family Code, as amended, by adding Section 3.631; and declaring an emergency.

To Committee on Jurisprudence.

By Senator Jones:

**S.B. 676**, A bill to be entitled An Act relating to restrictions on the number of Package Store Permits that a person may hold; amending Subsection (2), Section 17, Article I, Texas Liquor Control Act, as amended (Article 666-17, Vernon's Texas Penal Code); and declaring an emergency.

To Committee on State Affairs.

By Senator Creighton:

**S.B. 677**, A bill to be entitled An Act amending Acts 1934, 43rd Legislature, Fourth Called Session, Chapter 3, as amended, providing that all bonds or notes issued by the Brazos River Authority, pursuant to law shall be legal investments and eligible to secure public deposits; providing for severability; and declaring an emergency.

To Committee on Economic Development.

By Senator Harris:

**S.B. 678**, A bill to be entitled An Act relating to commercial distribution and commercial exhibition of obscene material; and declaring an emergency.

To Committee on Jurisprudence.

By Senator Longoria:

**S.B. 679**, A bill to be entitled An Act exempting certain members of governing boards of school districts from the state law prohibiting nepotism; amending Article 5996g, Revised Civil Statutes of Texas, 1925; and declaring an emergency.

To Committee on State Affairs.

By Senator Longoria:

**S.B. 680**, A bill to be entitled An Act relating to the admission of children to the public schools; amending Section 21.031, Texas Education Code; and declaring an emergency.

To Committee on Education.

By Senator Longoria:

**S.B. 681**, A bill to be entitled An Act relating to persons authorized to conduct marriage ceremonies; amending Section 1.83, Family Code; and declaring an emergency.

To Committee on Jurisprudence.

By Senator Longoria:

**S.B. 682**, A bill to be entitled An Act relating to the development and implementation of ways to strengthen educational programs and effectiveness through improved planning, budgeting, evaluation, and management procedures in school districts, regional education service centers, and the Central Education Agency; amending Section 11.26, Texas Education Code; and declaring an emergency.

To Committee on Education.

By Senator Longoria:

**S.B. 683**, A bill to be entitled An Act relating to the compensation of the court reporter of the County Court at Law of Hidalgo County; amending Section 10, Chapter 25, Acts of the 52nd Legislature, 1951, as amended (Article 1970-341, Vernon's Texas Civil Statutes); and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Brooks:

**S.B. 684**, A bill to be entitled An Act relating to preschool programs for certain educationally handicapped children; amending Subsection (b), Section 16.04, Texas Education Code, as amended; and declaring an emergency.

To Committee on Education.

By Senators McKinnon, Patman, Traeger and Harrington:

**S.B. 685**, A bill to be entitled An Act relating to the development, production, and distribution of geothermal energy resources; amending Section 8, Chapter 271, General Laws, Acts of the 42nd Legislature, Regular Session, 1931, as amended (Article 5421c, Vernon's Texas Civil Statutes); and declaring an emergency.

To Committee on Natural Resources.

By Senator Brooks:

**S.B. 686**, A bill to be entitled An Act relating to financial assistance programs enabling certain students to attend certain postsecondary educational institutions in Texas; adding Chapter 56 to Title 3, Subtitle A, Vernon's Texas Codes Annotated, Education Code (V.T.C.A.); repealing Subsection (m) of Section 54.051, V.T.C.A.; repealing Subchapter C, Chapter 54, V.T.C.A.; repealing Section 54.202, V.T.C.A.; repealing Section 54.206, V.T.C.A.; repealing Section 54.207, V.T.C.A.; and declaring an emergency.

To Committee on Education.

By Senators Moore and Schwartz:

**S.B. 687**, A bill to be entitled An Act relating to funds used by the Texas Department of Corrections to pay discharged, paroled or pardoned convicts; amending Section 1, Chapter 104, Acts of the 43rd Legislature, 1st Called Session, 1933, as amended (Article 6166m-1, Vernon's Texas Civil Statutes); providing an effective date; and declaring an emergency.

To Committee on State Affairs.

By Senator Moore:

**S.B. 688**, A bill to be entitled An Act amending Section 1.03(1) of Acts 1971, 62nd Legislature, Regular Session, p. 89, Ch. 51, Section 1, as amended, providing for a definition of "motor vehicle"; amending Section 5.02 of Acts 1971, 62nd Legislature, Regular Session, p. 89, Ch. 51, Section 1, as amended, by adding subsection (11) prohibiting new motor vehicle manufacturers and distributors and their representatives from preventing the succession to a dealership notwithstanding the terms of any franchise agreement; and declaring an emergency.

To Committee on Economic Development.

By Senator Gammage:

**S.B. 689**, A bill to be entitled An Act relating to the powers of the commissioner of insurance to guard against hazardous financial condition of insureds; providing for rules and regulations; providing for agreements with other jurisdictions; establishing authority; and declaring an emergency.

To Committee on Economic Development.

By Senators Gammage, Ogg, Mengden, Brooks, Williams and Schwartz:

**S.B. 690**, A bill to be entitled An Act relating to the creation, operation, and dissolution of a sheriff's department civil service system in certain counties; and declaring an emergency.

To Committee on Intergovernmental Relations.

By Senator Schwartz:

**S.B. 691**, A bill to be entitled An Act relating to property tax exemption for solar energy heating and cooling systems; and declaring an emergency.  
To Committee on Finance.

By Senator Schwartz:

**S.J.R. 50**, Proposing a constitutional amendment authorizing the legislature to exempt from property taxation all or a part of the value of solar energy heating or cooling systems and devices.  
To Committee on Texas Constitution.

By Senator Mengden:

**S.C.R. 34**, Granting estate of Goodall Harrison Wooten permission to sue the State of Texas.  
To Committee on Administration.

By Senator Schwartz:

**S.C.R. 35**, Granting Elida Blanco permission to sue the State of Texas and M. D. Anderson Hospital and Tumor Institute.  
To Committee on Administration.

#### **SENATE CONCURRENT RESOLUTION 29 ON FIRST READING**

Senator Ogg offered the following resolution:

**S.C.R. 29**, Memorializing Congress to discontinue all efforts to end the oil depletion allowance.

OGG  
LONGORIA  
ANDUJAR  
WILLIAMS  
MENGDEN  
HANCE  
MCKNIGHT  
FARABEE  
KOTHMANN  
JONES  
TRAEGER  
SNELSON  
HARRIS

The resolution was read.

Senator Ogg asked unanimous consent that the resolution be considered immediately.

There was objection.

The President then referred the resolution to the Committee on Natural Resources.



**SENATE RESOLUTION 282**

Senator Jones offered the following resolution:

**S.R. 282**, Memorializing Congress to postpone consideration of the Department of the Army's acquisition of land in Coryell County.

The resolution was read and was adopted.

**BILL AND RESOLUTION SIGNED**

The President announced the signing in the presence of the Senate after the caption had been read, the following enrolled bill and resolution:

**H.B. 509**  
**S.C.R. 24**

**MESSAGES FROM THE GOVERNOR**

The following Messages from the Governor were read and were referred to the Committee on State Affairs, Sub-Committee on Nominations:

Austin, Texas  
March 12, 1975

TO THE SENATE OF THE SIXTY-FOURTH LEGISLATURE, REGULAR SESSION:

I ask the advice, consent and confirmation of the Senate with respect to the following appointments:

To be Members of the State Seed and Plant Board: For a two-year term to expire October 6, 1976: Mr. Wilmer Smith of Wilson, Lynn County is being reappointed; Mr. Grady C. Clark, Jr. of Corpus Christi, Nueces County is being reappointed; Mr. Heino Staffel, Jr. of Austin, Travis County is being reappointed.

TO THE SENATE OF THE SIXTY-FOURTH LEGISLATURE, REGULAR SESSION:

I ask the advice, consent and confirmation of the Senate with respect to the following appointments:

To be Members of the Texas Board of Physical Therapy Examiners: For a six-year term to expire January 31, 1981: Mr. J. D. Wendeborn of Laredo, Webb County is being reappointed; Mr. James D. Keister of Amarillo, Potter County is being reappointed.

Respectfully submitted,  
DOLPH BRISCOE  
Governor of Texas

**CO-AUTHOR OF SENATE BILL 641**

On motion of Senator McKnight and by unanimous consent, Senator Braecklein will be shown as Co-author of **S.B. 641**.

**CO-AUTHOR OF SENATE BILL 82**

On motion of Senator Williams and by unanimous consent, Senator Clower will be shown as Co-author of **S.B. 82**.

**CO-AUTHOR OF SENATE BILL 139**

On motion of Senator Williams and by unanimous consent, Senator Clower will be shown as Co-author of **S.B. 139**.

**MESSAGE FROM THE HOUSE**

Hall of the House of Representatives  
Austin, Texas, March 12, 1975

Honorable William P. Hobby  
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

**H.C.R. 70**, Congratulating David Daniels.

**H.B. 485**, A bill to be entitled An Act amending the definition of "military duty" in Paragraph (16) of Subsection (a) of Section 3.02 of the Texas Education Code; amending Section 3.23 of the Texas Education Code to permit members to purchase creditable service in the Teacher Retirement System of Texas for certain military duty rendered before becoming a member of that system, removing the privilege of purchasing creditable service for certain nonmilitary service and providing for the payment of a fee when purchasing service credit for military duty; declaring an emergency, declaring effective dates for the provisions of this Act and providing for severability of the Act.

**H.B. 648**, A bill to be entitled An Act relating to municipal pension systems in certain cities in the state; amending Chapter 358, Acts of the 48th Legislature, Regular Session, 1943, as amended, (Article 6243g, Vernon's Texas Civil Statutes); providing for severability; and declaring an emergency.

**H.B. 719**, A bill to be entitled An Act relating to home solicitation transactions; amending Subdivision (5), Section 1, Chapter 246, Acts of the 63rd Legislature, Regular Session (Article 5069-13.01, Vernon's Texas Civil Statutes); and declaring an emergency.

Respectfully submitted,  
**DOROTHY HALLMAN**  
Chief Clerk, House of Representatives

**HOUSE BILL 388 ON SECOND READING**

Senator Mauzy moved that Senate Rules 12 and 89 and Section 5 of Article III of the State Constitution be suspended and that **H.B. 388** be taken up for consideration at this time.

The motion prevailed by the following vote: Yeas 31, Nays 0.

Yeas: Adams, Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Gammage, Hance, Harrington, Harris, Jones, Kothmann,

Lombardino, Longoria, Mauzy, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Patman, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

The President laid before the Senate on its second reading and passage to third reading:

**H.B. 388**, A bill to be entitled An Act relating to the availability of discontinued textbooks for use in city and county jail libraries; amending Section 12.63, Texas Education Code, by adding Subsection (f); and declaring an emergency.

The bill was read second time.

Senator Mauzy offered the following amendment to the bill:

Amend House Bill 388 by striking Section 1 and substituting in lieu thereof the following:

Section 1. Section 12.63, Texas Education Code, is amended by adding Subsection (f) to read as follows:

(f) Pursuant to rules and regulations promulgated by the State Board of Education, the commissioner of education shall make available on request copies of discontinued textbooks for use in libraries maintained in city and county jails, institutions within the Texas Department of Corrections, and other state agency institutions.

The amendment was read and was adopted.

On motion of Senator Mauzy and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to third reading.

#### HOUSE BILL 388 ON THIRD READING

Senator Mauzy moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 388** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 31, Nays 0.

Yeas: Adams, Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Gammage, Hance, Harrington, Harris, Jones, Kothmann, Lombardino, Longoria, Mauzy, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Patman, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

#### MESSAGE FROM THE HOUSE

Hall of the House of Representatives  
Austin, Texas, March 12, 1975

Honorable William P. Hobby  
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

**H.B. 195**, A bill to be entitled An Act amending certain sections of the Securities Act, Senate Bill 294, Chapter 269, Acts of the 55th Legislature, Regular Session, 1957, as amended, and codified as Articles 581-1 to 581-39, Vernon's Texas Civil Statutes, by adding a new Subsection S to Section 5 to provide an exemption for certain transactions of sales of certain securities options in certain circumstances; by adding a new Section 28-1 relating to the making or adopting of rules and regulations by the State Securities Board and procedures therefor; by amending Section 34 relating to actions for commissions by persons not registered as securities dealers; by adding a new Section 25-1 relating to receiverships of persons or assets of persons acting as securities dealers; and declaring an emergency.

**H.B. 493**, A bill to be entitled An Act relating to annual reports on statewide needs in the field of higher education; amending Section 61.066, Texas Education Code; and declaring an emergency.

**H.B. 409**, A bill to be entitled An Act relating to interest rates on judgments of the courts of this state; amending Article 1.05, Title 79, Revised Civil Statutes of Texas, 1925, as amended (Article 5069-1.05, Vernon's Texas Civil Statutes); and declaring an emergency.

**H.B. 675**, A bill to be entitled An Act relating to the creation, administration, powers, duties, functions, procedures, and financing of the Matador Water District under Article XVI, Section 59, of the Texas Constitution; and declaring an emergency.

**H.B. 67**, A bill to be entitled An Act relating to restrictions on the authority of conference committees appointed to resolve disagreements between the Senate and the House of Representatives with regard to appropriations bills and tax bills; and declaring an emergency.

Respectfully submitted,  
DOROTHY HALLMAN  
Chief Clerk, House of Representatives

#### HOUSE BILLS ON FIRST READING

The following bills received from the House, were read the first time and referred to the Committees indicated:

**H.B. 526**, To Committee on Intergovernmental Relations.  
**H.B. 485**, To Committee on Education.  
**H.B. 648**, To Committee on Intergovernmental Relations.  
**H.B. 67**, To Committee on Administration.  
**H.B. 195**, To Committee on Economic Development.  
**H.B. 675**, To Committee on Natural Resources.  
**H.B. 493**, To Committee on Education.  
**H.B. 409**, To Committee on Jurisprudence.

#### HOUSE BILL 351 ON SECOND READING

Senator Meier moved that Senate Rules 12 and 89 and Section 5 of Article III of the State Constitution be suspended and that **H.B. 351** be taken up for consideration at this time.

The motion prevailed by the following vote: Yeas 26, Nays 5.

Yeas: Adams, Aikin, Andujar, Brooks, Creighton, Farabee, Gammage, Hance, Harrington, Harris, Jones, Kothmann, Lombardino, Longoria, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

Nays: Braecklein, Clower, Doggett, Mauzy and Patman.

The President laid before the Senate on its second reading and passage to third reading:

**H.B. 351**, A bill to be entitled An Act amending statutes providing for determination of the rate of interest on real estate loans and secured by a lien and authorizing refund or credit of excess interest charges in the event of premature termination of loans and relating to real estate loans of \$250,000 or more secured by a lien made by any person; containing a saving clause; and declaring an emergency.

The bill was read second time.

Senator Clower requested a full reading of the bill.

On motion of Senator Aikin the full reading of the bill was dispensed with.

#### RECORD OF VOTE

Senator Clower asked to be recorded as voting "Nay" on the motion to dispense with the full reading of the bill.

(Senator Creighton in the Chair)

Senator Patman offered the following amendment to the bill:

Amend **H.B. 351** by adding a new sentence to Section 1 (A) to read as follows:  
"Such 'excess' shall not be reduced by prepayment penalties, and to the extent that prepayment penalties attempt to effect a reduction of such 'excess' such prepayment penalties shall be null and void."

The amendment was read.

Question - Shall the amendment be adopted?

#### MESSAGE FROM THE HOUSE

Hall of the House of Representatives  
Austin, Texas, March 12, 1975

Honorable William P. Hobby  
President of the Senate

Sir: I am directed by the House to inform the Senate that the House has passed the following:

**S.C.R. 33**, Extending congratulations to Texas A&I University at Kingsville on its 50th Anniversary.

Respectfully submitted,  
DOROTHY HALLMAN  
Chief Clerk, House of Representatives

### HOUSE BILL 351 ON SECOND READING

The Senate resumed consideration of the pending business, same being House Bill 351 on second reading with an amendment by Senator Patman pending.

Question - Shall the amendment be adopted?

The amendment failed of adoption by the following vote: Yeas 4, Nays 20.

Yeas: Clower, Doggett, Mauzy and Patman.

Nays: Adams, Aikin, Brooks, Creighton, Gammage, Hance, Harris, Jones, Kothmann, Lombardino, Longoria, McKinnon, McKnight, Meier, Mengden, Ogg, Santiesteban, Schwartz, Sherman and Williams.

Absent: Andujar, Braecklein, Farabee, Harrington, Moore, Snelson and Tracger.

Senator Patman offered the following amendment to the bill:

Amend **H.B. 351** by adding a new Section 2 and renumbering succeeding sections to read as follows:

"this legislation and law shall in no way amend, change, or affect the constitutional 10 per cent ceiling on interest rates."

The amendment was read.

Pending discussion by Senator Clower of the amendment, Senator Meier raised the Point of Order that Senator Clower was not confining his remarks to the subject of the amendment.

The Presiding Officer sustained the Point of Order and stated this was a First Warning.

Question - Shall the amendment be adopted?

### MOTION TO ADJOURN

Senator Patman moved the Senate stand adjourned until 11:00 o'clock a.m. tomorrow.

Question on the motion to adjourn, "Yeas" and "Nays" were demanded.

The motion was lost by the following vote: Yeas 5, Nays 18.

Yeas: Clower, Harrington, Mauzy, Patman and Schwartz.

Nays: Aikin, Braecklein, Brooks, Creighton, Farabee, Gammage, Hance, Harris, Jones, Kothmann, Longoria, McKinnon, McKnight, Meier, Mengden, Ogg, Santiesteban and Williams.

Absent: Adams, Andujar, Doggett, Lombardino, Moore, Sherman, Snelson and Traeger.

#### HOUSE BILL 351 ON SECOND READING

The Senate resumed consideration of the pending business, the same being House Bill 351 on its second reading and passage to engrossment with an amendment by Senator Patman pending.

Question - Shall the amendment be adopted?

#### MOTION TO GRANT EDUCATION COMMITTEE PERMISSION TO MEET WHILE SENATE IN SESSION

Senator Mauzy asked unanimous consent to grant the Education Committee permission to meet while the Senate was in Session.

There was objection.

(Senator Moore in the Chair)

#### HOUSE BILL 351 ON SECOND READING

The Senate resumed consideration of the pending business, same being House Bill 351 on its second reading and passage to engrossment with an amendment by Senator Patman pending.

Question - Shall the amendment be adopted?

Pending discussion by Senator Clower of the amendment, Senator Meier raised the Point of Order that Senator Clower was not confining his remarks to the subject of the amendment.

The Presiding Officer sustained the Point of Order and stated this was a Second Warning.

(President in the Chair)

Question on the adoption of the amendment, "Yeas" and "Nays" were demanded.

The amendment failed of adoption by the following vote: Yeas 7, Nays 23.

Yeas: Braecklein, Clower, Doggett, Harrington, Mauzy, Patman and Schwartz.

Nays: Adams, Aikin, Brooks, Creighton, Farabee, Gammage, Hance, Harris, Jones, Kothmann, Lombardino, Longoria, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Santiesteban, Sherman, Snelson, Traeger and Williams.

Absent: Andujar.

Senator Patman offered the following amendment to the bill:

Amend **H.B. 351** by adding a new sentence to Section 1(A) to read as follows: "Prepayment penalties shall be construed under this Act to be interest."

The amendment was read.

Senator Brooks raised the Point of Order that the amendment is substantially the same as an amendment previously considered and defeated at the same stage of consideration of the bill.

The President sustained the Point of Order.

Question on the passage of the bill to third reading, "Yeas" and "Nays" were demanded.

The bill was passed to third reading by the following vote: Yeas 25, Nays 6.

Yeas: Adams, Aikin, Andujar, Brooks, Creighton, Farabee, Gammage, Hance, Harris, Jones, Kothmann, Lombardino, Longoria, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

Nays: Braecklein, Clower, Doggett, Harrington, Mauzy and Patman.

#### **HOUSE BILL 351 ON THIRD READING**

Senator Meier moved that the Constitutional Rule and Senate Rule 68 requiring bills to be read on three several days be suspended and that **H.B. 351** be placed on its third reading and final passage.

The motion prevailed by the following vote: Yeas 25, Nays 6.

Yeas: Adams, Aikin, Andujar, Brooks, Creighton, Farabee, Gammage, Hance, Harris, Jones, Kothmann, Lombardino, Longoria, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

Nays: Braecklein, Clower, Doggett, Harrington, Mauzy and Patman.

The President then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

#### **RECORD OF VOTES**

Senators Mauzy, Harrington, Doggett, Patman, Braecklein and Clower asked to be recorded as voting "Nay" on the final passage of the bill.

#### **REASON FOR VOTE**

House Bill 351 and bills of similar content have been around the Legislature for at least six years. It has been my pleasure to join with others in killing bills of this type in the past, but with persistence and patience the lobby appears to be winning the fight this year. Those who are for the bill say that it will not affect the present laws and the constitutional prohibition against usury. In fact, the House sponsor of the bill was



quoted in the Austin American of March 7, 1975, as saying: "It puts into the statutes what is case law now. There is no way this bill can amend, change, or affect the constitutional ten percent ceiling."

This bill effectively removes all prohibitions against usury in the transactions it covers, and those include all transactions in which loans are secured by land or other real property.

The loophole in the law is obvious. It has been pointed out time and time again, not just during this session or the last session, but for years and years.

Whether you call it an interest charge or a prepayment penalty, the result under this bill is going to be the same for the borrower. He pays out more money.

Take this example: Mr. A. Borrower borrows \$100,000 from Mr. B. Lender for five years to be repaid in one lump sum. The interest rate charged is nine percent (or \$9000) for the first years, plus five percent (or \$5000) in "points." Usury provisions of the Constitution would have been violated. But **H.B. 351** provides for point spreading. The five points are spread out over the five years of the loan to reduce the interest charged to nine percent plus one percent per year of the term of the loan, for an average of ten percent -- the non-usurious limit. After one year, the loan is repaid in full. **H.B. 351** says the part over 10% should be returned to the borrower. Thus \$4000 should be returned. However, the contract has a small paragraph which says, 'If this loan is repaid before maturity, borrower shall owe to lender a prepayment penalty of \$4000 the first year, \$3000 the second year, (and so on)...' By this device, the return to borrower can be taken away completely. The courts say prepayment penalties are not interest. **H.B. 351** says only excess interest is refunded.

The trap is obviously available. No effort has been made by **H.B. 351** to prohibit it.

Whether you call it an interest charge or a prepayment penalty, again, the result is the same for the borrower. He pays out more money.

If it is excess interest, a refund is due to the borrower.

If it is excess interest offset by a prepayment penalty, no refund is due the borrower.

The witness for the bill in committee stated, "What we are spreading over the life of the loan is interest. Courts have never construed prepayment penalties to be interest."

The extra expense can be called interest, or it can be called pre-payment penalty. Under **H.B. 351** most lenders will be able to charge usurious interest.

**GIVING A LENDER THE UNLIMITED RIGHT TO CALL IT A PREPAYMENT PENALTY GIVES THE LENDER THE RIGHT TO CHARGE UNLIMITED INTEREST.**

The power of the money-lenders has never been greater than it has been this session.

Borrowers who are going to be gouged by **H.B. 351** and the practices it will permit will not appreciate the nice distinctions between "prepayment penalties" and "interest." The pounds of flesh exacted by unscrupulous lenders will cause injury to Texans from the time this bill becomes law until the time it is repealed. There may be some hope in a judicial construction of its terms in a manner that will give to the borrower some of the protections he deserves, and some of them which the sponsors claim he has. I feel we have failed in our legislative responsibility to incorporate within the bill adequate protections for the public. This year, contrary to the situation in prior years, those of us who are opposing this bill have not been joined in our opposition by independent homebuilders and other heavy borrowers. They have been beaten into submission, and, I understand, threatened this year with a cutoff of their credit if they opposed the bill. Some of them yielded to that pressure in 1973.

I am afraid that mortgage bankers and others who have sponsored this legislation over the years, and who have worked in close harmony, will be able to use the terms of **H.B. 351** to inflict great injury to the borrowing public. An even greater

danger, in my opinion, is that unscrupulous persons will use H.B. 351 to practice a legalized loan-sharking operation.

\*Footnote: In the illustration given of the five points or \$5000, some small reduction might be necessary in the \$5000 charge in actual practice, depending on whether the points were paid by the borrower upon getting the loan, one year later, or whether they were deducted from the amount he received at the time the loan was made to reduce his debt to \$95,000. The figures have been rounded in order to simplify the illustration.

S.B. 209 of last session was nearly identical to H.B. 351. For additional information and examples on this matter, I have attached the material I had assembled in 1973 on S.B. 209.

PATMAN

#### RESOLUTION SIGNED

The President announced the signing in the presence of the Senate after the caption had been read, the following enrolled resolution.:

#### S.C.R. 33

#### SENATE BILL 85 WITH HOUSE AMENDMENTS

Senator Aikin called S.B. 85 from the President's table for consideration of the House amendments to the bill.

The President laid the bill and the House amendments before the Senate.

#### COMMITTEE AMENDMENT NO. 1

Amend S.B. 85 by striking all below the enacting clause and substituting the following:

Section 1. Section 3.25 of the Texas Education Code, as amended, is amended to read as follows:

"Sec. 3.25. REINSTATEMENT OF SERVICE CREDITS. (a) Any teacher or auxiliary employee who has executed a waiver of membership in the retirement system shall have the privilege of electing to receive full membership service credit, provided such teacher or auxiliary employee after becoming a member of the retirement system shall deposit all back deposits, assessments, and dues which he would have paid or deposited had he been a member of the retirement system during each of the years he actually taught or was employed as an auxiliary employee in the public schools following the date on which he first became eligible for membership in the retirement system, together with interest from the date each amount was payable at the rate of five percent per annum. The [One-half of the] interest shall be credited to the state contribution account.

"(b) Any person who terminates or has terminated membership in the retirement system by withdrawal of deposits or by absence from service shall have the privilege of reinstating such terminated membership by rendering service for two [five] subsequent consecutive creditable years or for a subsequent continuous period equal in duration to the period from the date of the relevant withdrawal to the beginning date of such period of creditable service, whichever is shorter [or seven subsequent creditable years within any ten-year period] and by depositing the amount withdrawn plus membership fees for the years during which membership was terminated plus a reinstatement fee of five [two and one-half] percent per annum from the date of withdrawal to date of redeposit. The reinstatement fee shall be credited to the state

contribution account.

"(c) Any person who terminates or has terminated membership in the retirement system by retiring under the provisions of Section 3.31 of this chapter shall have the privilege of reinstating such terminated membership by rendering service for five consecutive years and depositing ~~both~~ an amount equal to service retirement benefits received plus a reinstatement fee of five ~~two and one half~~ percent per annum from the date of his return to employment to the date of redeposit and an amount equal to six percent of his total annual compensation after his return to employment plus a reinstatement fee of five ~~two and one half~~ percent per annum on such percentage of ~~each year's annual~~ compensation from the end of the respective year of service to the date of deposit plus membership fees for the years after his return to employment. Upon payment of the amount required by this subsection the reinstated member shall receive credit for each year's service both before and after his initial retirement. Reinstatement fees shall be credited to the state contribution account.

"(d) The amounts to be deposited shall be determined in each case by the State Board of Trustees and no person shall be granted retirement upon such service credits until the amount so determined is paid in full."

Sec. 2. Section 3.26, Texas Education Code, is amended to read as follows:

"Sec. 3.26. PURCHASE OF CREDIT FOR OUT-OF-STATE SERVICE ~~TEACHING~~. (a) Any member of the retirement system who has been employed as a teacher or as an auxiliary employee in any public school system maintained in whole or in part by any other state or territory of the United States or by the United States for children of United States citizens may purchase equivalent membership service credits under this retirement system for such service ~~teaching~~.

"(b) For each year that out-of-state service credit is desired, the member shall deposit to his individual account with the retirement system 12 percent of the annual compensation received during his first year as a teacher or auxiliary employee of this state which is both after the out-of-state service ~~teaching~~ and September 1, 1956, or, in the event the member has no creditable service in Texas after September 1, 1956, 12 percent of his rate of annual compensation during his last creditable year of service in Texas prior to that date and subsequent to the out-of-state service ~~teaching~~. In addition the member shall pay a fee at the rate of five percent per annum of the amount which the member is eligible to deposit for each year of credit under Subsection (c)(1) of this section. Such fee shall accrue on each amount from the date the member is first eligible to make the deposit for credit until the date of deposit, except that no fees shall begin to accrue before the member completes 10 years of actual service in the public schools in Texas. A deposit for at least one year's credit must be made with the initial application and all payments for out-of-state service for which credit is desired must be made before retirement.

"(c) For each year that deposits are made, the member shall be granted immediately upon payment of the required deposit one year's membership service credit subject, however, to the special conditions which are:

"(1) No person shall be allowed to acquire credits on the basis of ~~teaching~~ employment as a teacher or auxiliary employee outside this state in excess of one year for each one year ~~two years~~ of service in Texas.

"(2) In the event credits for employment outside this state must be disallowed in part because of the member's failure to qualify the non-Texas service under the provisions of this section, his deposits made for the years disallowed (considered to be those last purchased) will be refunded to him.

"(3) No more than 10 years' total credit can be purchased under the provisions of this section.

"(d) No member by reason of any credits purchased for non-Texas teaching or auxiliary employment shall be entitled to service retirement benefits under this section ~~chapter~~ until he has actually rendered at least 10 years of creditable service in Texas, excluding any credit for non-Texas employment. Equivalent membership service credits

granted for out-of-state service ~~[teaching]~~ shall not be used in computing the member's best-ten-years-average compensation.'

"(e) All such deposits shall be credited, pending retirement, to the member's individual account in the member's savings account."

Sec. 3. Section 3.33 of the Texas Education Code is amended to read as follows:

"Sec. 3.33. BENEFICIARY DESIGNATION. (a) Any member may provide in writing on a form the executive secretary or his duly authorized representative ~~[State Board of Trustees]~~ prescribes that the benefits payable under this chapter in the event of his death shall be paid to the designated beneficiary. The member may change or revoke a designation previously made by filing with the ~~[State Board of Trustees]~~ on a form the executive secretary or his duly authorized representative ~~[it]~~ prescribes, a notice of change or revocation.

"(b) In the event a member fails to designate a beneficiary, or the designated beneficiary predeceases the member and there is no designation effective at the date of death, the death benefits and election right to survivor benefits, if applicable, shall vest (in the order listed) with

"(1) the surviving spouse ~~[widow or surviving dependent widower]~~ of the deceased; or

"(2) the children of the deceased in equal portions or their descendants, such descendants being entitled only to such portion of said benefits as the parent through whom they are entitled to those benefits would be entitled if alive; or

"(3) the dependent parent or parents of the deceased in equal portions; or

"(4) the member's estate or heirs. ~~[(e) If none of the persons named in Subsection (b)(1), (2), and (3) of this section survive, then, to the member's estate, or to his heirs, in complete discharge of all claims for death and survivor benefits under this chapter, there shall be paid~~

~~(1) the return of the accumulated contributions of the member; or~~

~~(2) a \$500 lump sum if death occurs after retirement.]~~

Sec. 4. Section 3.34 of the Texas Education Code, as amended, is amended to read as follows:

"Sec. 3.34. DEATH BENEFITS. (a) If a member dies before retirement and during any school year in which he is in service, his eligible designated beneficiary shall be paid, at the beneficiary's election, the greatest of the following amounts in the manner the State Board of Trustees by rule may prescribe:

"(1) the annual compensation of the member for the preceding school year; or

"(2) the rate of annual compensation of the member for the current school year; or

"(3) 60 monthly payments equal to the monthly installments of a standard annuity (calculated as provided in Section 3.02(a)(20) of this code); or

"(4) an annuity payable for the designated beneficiary's life with payments equal to those under Option One in Section 3.31(b)(1) of this code had the member retired at the end of the month preceding his death; or

"(5) the accumulated contributions of the member's member savings account.

~~[(b) In the event the designated beneficiary is other than a surviving widow, dependent widower, child, grandchild, brother, sister, or dependent parent of the deceased, or other person financially dependent on the deceased, the death benefits payable to the beneficiary under the provisions of this chapter shall be limited to the accumulated contributions in the member's member savings account.]~~

"(1) the same benefits payable upon the member's death in active service if the absence of the member from service was due to sickness, accident, or other cause which the State Board of Trustees determines to be involuntary or in furtherance of the objectives or welfare of the public school system, or during a period when he was eligible to retire or would become eligible without further service to retire within five years of his last covered employment; or

"(2) the accumulated contributions in the member's individual account if the absence of the member from service was not the result of sickness, accident, or other justifiable cause determined in this chapter."

Sec. 5. Subsection (b), Section 3.36, Texas Education Code, as amended, is amended to read as follows:

"(b) If a member retires upon a disability retirement benefit and dies while drawing his benefit, his beneficiary may elect to receive, in lieu of the benefit provided in Subsection (a) of this section, the same death benefit to which he would have been entitled had the deceased been in active service at death [~~less all disability payments made to the deceased~~].

Sec. 6. Subsections (a) and (d), Section 3.37, Texas Education Code, are amended to read as follows:

"(a) Any person receiving a service retirement benefit from the retirement system may be employed in the public schools of Texas under the following conditions:

"(1) on a part-time day-to-day basis only not to exceed 100 [80] school days in any one school year as a substitute for an employee who is absent from duty;

"(2) as a substitute in a vacant position until such position can be filled, but not to exceed 45 [30] days, but any substitute employment in a vacant position shall be deducted from the 100 [80] days permitted as a substitute for an absent employee; or

"(3) on as much as a one-third time basis if the retired member is over age 60."

"(d) A person receiving a service retirement benefit from the retirement system who is employed in any position in the public schools of Texas except as provided in this section, shall forfeit all retirement benefits for any month in which such employment occurs. Employment which begins as substituting may become permanent employment. A person who substitutes on a day-to-day basis in a regular position for an absent employee for more than 100 [80] school days or for more than 45 [30] school days in a vacant position and then continues in the same position shall be considered to have been a regular employee since the first day of employment and forfeits his retirement benefits for all months of employment in that position."

Sec. 7. Subsection (a), Section 3.52, Texas Education Code, is amended to read as follows:

"(a) In the member savings account shall be accumulated the regular percentage contributions made by members from their compensation together with interest allowable thereon. Interest on members' contributions shall be credited annually on August 31 at the rate of five [two and one-half] percent of the average balance in the account during ~~for~~ the preceding year ~~(September 1)~~."

Sec. 8. Subsection (b), Section 3.55, Texas Education Code, as amended, is amended to read as follows:

"(b) Once each year on August 31, transfers from the interest account shall be made:

"(1) to the member savings account in an amount sufficient to credit the members' contributions with interest at the rate of five [two and one-half] percent;

"(2) to the retired reserve account in an amount sufficient to credit the average balance of the reserve account with interest at the rate of four and three-fourths percent per annum; or a higher rate as calculated pursuant to Subsection (c) of this section;

"(3) to the expense account in an amount designated by the State Board of Trustees pursuant to Section 3.56(d) of this chapter; and

"(4) to the state contribution account any balance remaining in the interest account."

Sec. 9. Subsection (g), Section 3.57, Texas Education Code, is amended to read as follows:

"(g) If deductions which should have been made from any member's salary were not in fact made, the member must pay these deductions, plus a five percent per annum fee on the unpaid amount from the end of the school year such deductions were due until the date of payment, on terms prescribed by the State Board of Trustees. The member shall thereupon receive credit for the prior service to which he may be entitled under this chapter. Fees shall be credited to the state contribution account."

Sec. 10. Notwithstanding the provisions of Section 12 of this Act, the fees and interest charges provided by Sections 1, 2, and 9 of this Act to be incorporated in Subsections (b) and (c) of Section 3.25, Subsection (b) of Section 3.26, and Subsection (g) of Section 3.57, Texas Education Code, shall become effective on September 1, 1975. Until that date the fees and interest charges, if any, in effect immediately prior to the adoption of this Act shall be continued.

Sec. 11. If any provision of this Act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions of this Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Sec. 12. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

#### COMMITTEE AMENDMENT NO. 2

Amend S.B. 85 by striking all above the enacting clause and substituting the following:

#### A BILL TO BE ENTITLED AN ACT

amending provisions of Chapter 3, Texas Education Code, relating to the Teacher Retirement System; amending Section 3.25 of the code, as amended, with regard to the interest or reinstatement fees charged on deposits for waived service, reinstatement of withdrawn accounts, and reinstatement of membership by a retired member and with regard to the length of subsequent service required to reinstate a withdrawn account; amending Section 3.26 of the code, relating to purchase of credit for out-of-state service; amending Section 3.33 of the code regarding the designation of beneficiary for benefits payable upon a member's death and the distribution of such benefits if no designated beneficiary is in existence at the time of such death; amending Section 3.34 of the code, as amended, to remove limits on death benefits based upon the beneficiary's relationship to the member; amending Subsection (b), Section 3.36 of the code, as amended, to eliminate the reduction of death benefits for beneficiaries of deceased members retired on a disability; amending Subsections (a) and (d), Section 3.37 of the code to increase the permissible length of employment after retirement in the public schools of Texas without loss of retirement benefits; amending Subsection (a), Section 3.52 of the code, as amended, to increase the rate of interest paid on member accounts; amending Subsection (b), Section 3.55 of the code, as amended, regarding transfers from the interest account to retired reserve account; amending Subsection (g), Section 3.57 of the code to provide an interest fee for delinquent

contributions and providing for allocation of such fee; declaring effective dates for the provisions of this Act; providing for severability of the Act; and declaring an emergency.

The House amendments were read.

Senator Aikin moved to concur in House amendments.

The motion prevailed by the following vote: Yeas 31, Nays 0.

Yeas: Adams, Aikin, Andujar, Braecklein, Brooks, Clower, Creighton, Doggett, Farabee, Gammage, Hance, Harrington, Harris, Jones, Kothmann, Lombardino, Longoria, Mauzy, McKinnon, McKnight, Meier, Mengden, Moore, Ogg, Patman, Santiesteban, Schwartz, Sherman, Snelson, Traeger and Williams.

#### NOTICES OF INTENT

The following Notices of Intent were filed with the Secretary of the Senate:

Thursday, March 13, 1975

H.B. 69 - Senator Traeger  
H.B. 367 - Senator Snelson  
C.S.S.B. 12 - Senator Gammage  
S.B. 164 - Senator Ogg  
S.B. 215 - Senator Williams  
S.B. 269 - Senator Williams  
S.B. 310 - Senator Snelson  
S.B. 312 - Senator Gammage  
S.B. 344 - Senator Williams  
S.B. 366 - Senator Mauzy  
S.B. 429 - Senator Brooks

Monday, March 17, 1975

S.B. 19 - Senator Andujar

#### MEMORIAL RESOLUTIONS

S.R. 281 - By Senators Braecklein and Harris: Memorial resolution for Captain Marvin Charley Blount.

S.R. 283 - By Senator Doggett: Memorial resolution for Gary Gilbert.

S.R. 284 - By Senator Snelson: Memorial resolution for Mrs. John W. (Ida Tom) Howell.

S.R. 285 - By Senator Snelson: Memorial resolution for Mrs. Henry (Betty) Goulet.

S.R. 286 - By Senator Snelson: Memorial resolution for Homer Allen Nettleton.